

RECORDATION NO. 23460 FILED

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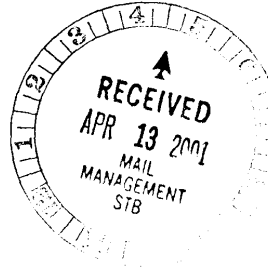
APR 17 '01 19-44 AM

SURFACE TRANSPORTATION BOARD

April 13, 2001

By Hand

Hon. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 714
Washington, D.C. 20423-0001



Dear Secretary Williams:

Enclosed for recordation, pursuant to the provisions of 49 U.S.C. §11301(a) and 49 C.F.R. Part 1177, are the original and a counterpart of a Memorandum of Lease Termination Agreement and Assignment of Sublease, dated as of April 3, 2001, which should be recorded as a *primary* document.

The names and addresses of the parties to the enclosed document (and certain related documents) are:

Lessor/Assignor:	SOUTHERN ILLINOIS RAILCAR COMPANY ("SIRC") 505 Buckeye Drive Troy, IL 62294
Lessor/Assignee:	THE CIT GROUP/EQUIPMENT FINANCING, INC. ("CIT") 1211 Avenue of the Americas New York, NY 10036
Sublessee/Lessee:	NEW YORK & ATLANTIC RAILWAY COMPANY ("NY&A") 68-01 Otto Road Glendale, NY 11385

We request that the enclosed primary document be indexed under *each* of the above-listed names.

A description of the railroad equipment covered by the enclosed document (the "Equipment") is as follows:

<u>Number of Cars</u>	<u>Type</u>	<u>Identifying Marks</u>
50	2,743 cubic foot capacity gondola cars	GNRR 5337 and GNRR 5345 to 5393

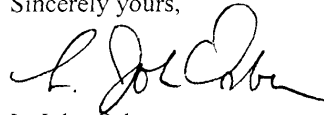
Hon. Vernon A. Williams, Secretary
April 13, 2001
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A brief description of the transaction reflected in the enclosed document is as follows:

As more fully described in the enclosed document, CIT and SIRC have terminated certain master leases, under which CIT had leased certain cars to SIRC, and SIRC has assigned to CIT a certain lease, under which SIRC had subleased certain of those cars to NY&A.

Also enclosed is a check in the amount of \$28.00, payable to the order of the Surface Transportation Board, which covers the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned.

Sincerely yours,

A handwritten signature in black ink, appearing to read "L. John Osborn", written in a cursive style.

L. John Osborn

Enclosures

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**MEMORANDUM OF LEASE TERMINATION AGREEMENT AND ASSIGNMENT OF
SUBLEASE****SURFACE TRANSPORTATION BOARD**

This MEMORANDUM OF LEASE TERMINATION AGREEMENT AND ASSIGNMENT OF SUBLEASE, dated as of April 3, 2001, is made between SOUTHERN ILLINOIS RAILCAR COMPANY ("SIRC"), a corporation organized under the laws of the state of Illinois, and THE CIT GROUP/EQUIPMENT FINANCING, INC. ("CIT"), a corporation organized under the state of New York, and relates to that certain Railcar Lease Agreement dated November 1, 1999 (as further described below, the "Sublease") between SIRC and NEW YORK & ATLANTIC RAILWAY COMPANY (the "Sublessee").

WHEREAS, on or about February 22, 2000, SIRC entered into a written "Master Net Railcar Lease Amending and Restating in Part Certain Letter Agreements" with CIT for the use of certain railcars then owned or thereafter acquired by CIT; and

WHEREAS, on or about May 8, 1996, SIRC entered into a written "Railcar Equipment Lease" with JAIX Leasing Company for the use of certain railcars then owned or thereafter acquired by JAIX Leasing Company; CIT later succeeded to the rights of JAIX Leasing Company under the "Railcar Equipment Lease" and is now the lessor under such lease and the owner of the railcars subject thereto; and

WHEREAS, the leases described in the previous two paragraphs of this Memorandum, together with all related schedules, riders, addenda, appendices, amendments, modifications and other attachments and related documents, are collectively referred to as the "Leases"; and

WHEREAS, by a Railcar Lease Agreement dated November 1, 1999, as amended by an amendment entitled "Amendment No. 1" dated December 27, 2000 (collectively, the "Sublease"), between Sublessee, as lessee, and SIRC, as lessor, SIRC leased certain railcars to Sublessee, as described below:

50 2,743 cubic foot capacity gondola cars currently bearing the AAR reporting marks
GNRR 5337 and GNRR 5345 to 5393
and

WHEREAS, SIRC and CIT have entered into a Lease Termination Agreement and Assignment of Subleases, dated as of April 3, 2001, under which (as more fully described therein) the Leases have been terminated and SIRC has irrevocably and absolutely (and not for purposes of collateral security) assigned, set over and transferred to CIT all of SIRC's right, title and interest in the Sublease and assignments between SIRC and the Sublessee under the Sublease; and

WHEREAS, the parties desire to provide notice of the termination of the Leases and of the assignment of the Sublease by SIRC to CIT; and

WHEREAS, this Memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such Memorandum.

IN WITNESS WHEREOF, each of the undersigned pursuant to due corporate authority has caused this Memorandum of Lease Termination Agreement and Assignment of Sublease to be executed in its respective corporate name by an officer duly authorized, and hereby declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that this Memorandum is a true and correct document and was executed as of the date herein first set forth above.

SOUTHERN ILLINOIS RAILCAR COMPANY

By: Kurt Johnson
Name: Kurt E. Johnson
Title: EVP

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: _____
Name: _____
Title: _____

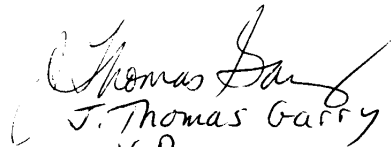
IN WITNESS WHEREOF, each of the undersigned pursuant to due corporate authority has caused this Memorandum of Lease Termination Agreement and Assignment of Sublease to be executed in its respective corporate name by an officer duly authorized, and hereby declares pursuant to 28 U.S.C. § 1746 under penalty of perjury that this Memorandum is a true and correct document and was executed as of the date herein first set forth above.

SOUTHERN ILLINOIS RAILCAR COMPANY

By:
Name:
Title:

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By:
Name:
Title:


J. Thomas Garry
VP

State of Illinois)
) SS:
County of Madison)

Janice A. Tweedy
Signature of Notary Public

OFFICIAL SEAL
JANICE A. TWEEDY
 NOTARY PUBLIC STATE OF ILLINOIS
 MADISON COUNTY
 My Commission Expires 02-23-2004

CORPORATE FORM OF ACKNOWLEDGEMENT

State of Illinois)
) SS:
County of _____)

On this 4th day of April, 2001, before me personally appeared J. Thomas Garney to me personally known, who being by me duly sworn, says that he ~~is~~ is the Vice-President of THE CIT GROUP/EQUIPMENT FINANCING, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara Garner
Signature of Notary Public

My commission expires _____
BARBARA GARNER
Notary Public, State of New York
No. 01045066133
Qualified in Nassau County
Certificate filed in New York County
Commission Expires Sept. 3, 2002

Seal